



PRESS RELEASE

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Tourism on the Increase under Current Government

The Government notes the ill-informed attack made by the Opposition and its spokesperson for tourism, Trevor Hammond, on the Government's track record on tourism.

Mr Hammond has chosen to focus on one subject detailed in the annual Tourism Survey Report, namely Tourism Expenditure. Mr Hammond may not have noted that this figure is based on a sample, as explained in the report's methodology, that shows what a selected group of visitors may have spent during their stay in Gibraltar. In other words it is not an input/output study of what tourism contributes to the economy. His fundamental lack of understanding of the tourism industry is evident. If he had been aware of the changing nature of the industry over the last twenty years, he would have understood that mass market tourism, low cost airlines and a more diverse cruise industry product has allowed extended families and those with less disposable income to travel, which will be reflected in this type of sample.

More importantly however, he chooses to ignore the increase in the number of visitor arrivals by air and sea. This includes record numbers of passengers using Gibraltar International Airport.

Moreover, the Hotel Occupancy Survey for 2016 shows that more people have stayed at our hotels than ever before. The total number of arrivals at hotels in 2016 reached a record high showing an increase of 18.9% over 2015 and the largest gains came from Tourist arrivals that grew by 25.6% over 2015.

Indeed the new hotel projects already becoming a reality are a testament to the fact that demand is increasing.

In 2016 Gibraltar welcomed a record 50 flights per week in the peak summer months, with August being a record month for passengers, with 60,360 passengers handled. Looking at 2017, record passenger numbers have already been broken in the first half of the year.

In 2017, 246 cruise calls are expected. This is an increase of 9% on last year.



If Mr. Hammond would also care to look at the figures published for visitors to the Upper Rock Nature Reserve up to the end of July he will see that numbers are up by 10% and that last year's total figure was the highest since 2000.

In addition, and as has been highlighted in numerous occasions, this Government has invested unprecedented amounts in the visitor attractions and beach facilities, in particular making these more accessible.

It is not complicated to work out that tourism has been on the increase in the time of this administration and that Mr Hammond and the Opposition are being hasty and churlish in their attack.

Tourism statistics are published on Her Majesty's Government of Gibraltar's website.

Notes to Editors:

Mr Hammond claims that: "expenditure by visitors had dropped below levels achieved in 2005."

In fact, the downward trend in tourist expenditure since 2011 peaked in 2014 at £168.0 million and started to rise thereafter. This is the effect of the border queues in 2013, outside the Governments control, and figures have not yet recovered to pre-2013 levels. Total tourist expenditure has dropped by 24% -£67.9 million in 2016 compared with 2011 due to the fact that there are fewer visitors arriving by land, 6.8 million in 2016 compared with 9.6 million in 2011 (-2.8 million, -29%). These figures exclude frontier workers. The effect of the fall in sterling since the EU referendum, again outside the Governments control, will also have had a downward effect on spending by EU nationals (excluding UK nationals) who represented 94% of arrivals (pedestrians and vehicles) by land in 2016.

There is however an excellent record on tourism in 2016 compared with 2011 from other visitor arrivals:

Gibraltar is attracting more visitors by sea and air and these arrivals spend more than frontier arrivals. In 2011 sea and air arrivals accounted for 3% and 2% respectively of total arrivals, compared with 6% and 3% in 2016. Arrivals by land accounted for 95% of total arrivals in 2011, reduced to 91% in 2016. In 2016 cruise arrivals spent 105% more than frontier arrivals (£40.12 per person per day compared with £19.56). In 2016 yacht arrivals spent £104% more than frontier arrivals (£39.84 per person per day compared with £19.56). In 2016 UK arrivals at hotels spent 224% more than frontier arrivals (£63.37 per person per day compared with £19.56).

Arrivals by air have increased by 41% (+66,643) from 2011 to 2016. Tourist expenditure by air arrivals from UK staying at hotels has grown by 69% (+£16.1 million) over the period and risen by 64% in real terms since 2005. Expenditure by visitors in-transit has also increased by 352% (+£4.2 million) in 2016 compared with 2011.



Arrivals at hotels (Hotel Occupancy Survey Report) have increased by 43% (+23,730) from 55,619 in 2011 to 79,349 in 2016. From 1996 to 2011 the arrivals at hotels increased by only 21% (+9,477) and during the last 5 years the GSD were in office (2007-2011), arrivals at hotels dropped by -6.4% (-3,806) from 59,425 to 55,619.

Arrivals by sea have increased by 20% (+69,045) from 2011 to 2016. Tourist expenditure by cruise excursionists has grown by over 23% (£3.1 million) over the period and risen by 68% in real terms since 2005. Tourist expenditure of yacht arrivals has increased by 43% in real terms since 2005.

Mr Hammond further states: “[The Government] is clearly not investing in the right areas as despite millions being poured into bridges and glass walk ways, there is no sign whatsoever that these investments are drawing any returns.”

In fact, 2016 saw record number of arrivals to the upper rock nature reserve, increasing by 16% (+130,071) in 2016 compared with 2011. These records are being surpassed in 2017, with a record number of arrivals in April through to July this year.